

**UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF TENNESSEE
CHATTANOOGA DIVISION**

STACY STROBL AND BRIAN
HARDING, on behalf of themselves and all
Others similarly situated,

Plaintiffs

v.

PAUL CROFT; JONATHAN FROST;
RHINO ONWARD INTERNATIONAL,
LLC; ROI FUND I, LLC; ROI FUND II,
LLC; ROI FUND III, LLC; ROI FUND
IV, LLC; SCORPIO REF, LLC; MATTHEW
DIRA; THE DIRA GROUP; CHESTNUT
HOLDINGS, LLC; STEVEN FROST;
LISA FROST; JOSEPH INVESTMENTS
LLC; JANE AND JOHN DOES 1-25,

Defendants

Case No. 1:24-CV-00140-CLC-CHS

**ANSWER OF STEVEN FROST, LISA FROST AND
JOSEPH INVESTMENTS, LLC**

Comes now the Transferee Defendants, Steven Frost, Lisa Frost and Joseph Investments LLC (Collectively the “Transferee Defendants”), by and through their undersigned counsel, submit their Answer and Defenses to Plaintiffs’ Stacy Strobl and Brian Harding, on behalf of themselves and all other similarly situated (Collectively the “Plaintiffs”), Complaint.

Transferee Defendants deny each and every allegation not expressly admitted or qualified below. Transferee Defendants deny any allegations contained in, or inferences that could be drawn from, the headings found in the Complaint, or any other portion outside the numbered paragraphs. Transferee Defendants deny that Plaintiffs are entitled

to any relief against Transferee Defendants. In response to the numbered paragraphs of the Complaint, Transferee Defendants respond as follows:

TRANSFEE DEFENDANTS' ANSWER

1. Transferee Defendants deny the allegations contained Paragraph 1 of the Complaint to the extent directed at Transferee Defendants.
2. Paragraph 2 contains no allegations directed at Transferee Defendants. To the extent Paragraph 2 requires a response from the Transferee Defendants, the allegations are denied.
3. Paragraph 3 contains no allegations directed at Transferee Defendants. To the extent Paragraph 3 requires a response from the Transferee Defendants, the allegations are denied.
4. Paragraph 4 contains no allegations directed at Transferee Defendants. To the extent Paragraph 4 requires a response from the Transferee Defendants, the allegations are denied.
5. Paragraph 5 contains no allegations directed at Transferee Defendants. To the extent Paragraph 5 requires a response from the Transferee Defendants, the allegations are denied.
6. Paragraph 6 contains no allegations directed at Transferee Defendants. To the extent Paragraph 6 requires a response from the Transferee Defendants, the allegations are denied.
7. Paragraph 7 contains no allegations directed at Transferee Defendants. To the extent Paragraph 7 requires a response from the Transferee Defendants, the allegations are denied.

8. Paragraph 8 contains no allegations directed at Transferee Defendants. To the extent Paragraph 8 requires a response from the Transferee Defendants, the allegations are denied.
9. Paragraph 9 contains no allegations directed at Transferee Defendants. To the extent Paragraph 9 requires a response from the Transferee Defendants, the allegations are denied.
10. Paragraph 10 contains no allegations directed at Transferee Defendants. To the extent Paragraph 10 requires a response from the Transferee Defendants, the allegations are denied.
11. Paragraph 11 contains no allegations directed at Transferee Defendants. To the extent Paragraph 11 requires a response from the Transferee Defendants, the allegations are denied.
12. Allegations contained in Paragraph 12 of the Complaint are admitted.
13. Allegations of Paragraph 13 of the Complaint are admitted.
14. As to Paragraph 14, Transferee Defendants lack sufficient knowledge or information to admit or deny the allegations and therefore they are denied.
15. As to Paragraph 15, Transferee Defendants lack sufficient knowledge or information to admit or deny the allegations and therefore they are denied.
16. Paragraph 16 contains no allegations directed at Transferee Defendants. To the extent Paragraph 16 requires a response from Transferee Defendants, the allegations are denied.

17. Paragraph 17 contains no allegations directed at Transferee Defendants. To the extent Paragraph 17 requires a response from Transferee Defendants, the allegations are denied.
18. Paragraph 18 contains no allegations directed at Transferee Defendants. To the extent Paragraph 18 requires a response from Transferee Defendants, the allegations are denied.
19. Paragraph 19 contains no allegations directed at Transferee Defendants. To the extent Paragraph 19 requires a response from Transferee Defendants, the allegations are denied.
20. Paragraph 20 contains no allegations directed at Transferee Defendants. To the extent Paragraph 20 requires a response from Transferee Defendants, the allegations are denied.
21. Paragraph 21 contains no allegations directed at Transferee Defendants. To the extent Paragraph 21 requires a response from Transferee Defendants, the allegations are denied.
22. Paragraph 22 contains no allegations directed at Transferee Defendants. To the extent Paragraph 22 requires a response from Transferee Defendants, the allegations are denied.
23. Paragraph 23 contains no allegations directed at Transferee Defendants. To the extent Paragraph 23 requires a response from Transferee Defendants, the allegations are denied.

24. Paragraph 24 contains no allegations directed at Transferee Defendants. To the extent Paragraph 24 requires a response from Transferee Defendants, the allegations are denied.
25. Paragraph 25 contains no allegations directed at Transferee Defendants. To the extent Paragraph 25 requires a response from Transferee Defendants, the allegations are denied.
26. Paragraph 26 contains no allegations directed at Transferee Defendants. To the extent Paragraph 26 requires a response from Transferee Defendants, the allegations are denied.
27. Paragraph 27 contains no allegations directed at Transferee Defendants. To the extent Paragraph 27 requires a response from Transferee Defendants, the allegations are denied.
28. Paragraph 28 contains no allegations directed at Transferee Defendants. To the extent Paragraph 28 requires a response from Transferee Defendants, the allegations are denied.
29. Paragraph 29 contains no allegations directed at Transferee Defendants. To the extent Paragraph 29 requires a response from Transferee Defendants, the allegations are denied.
30. Allegations contained in Paragraph 30 of the Complaint are admitted.
31. Allegations contained in Paragraph 31 of the Complaint are admitted.
32. The allegations contained in Paragraph 32 of the Complaint are admitted, with the exception that Steven Frost is the single member of Joseph Investments LLC, Lisa Frost is not a member.

33. Paragraph 33 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 33 requires a response from Transferee Defendants, the allegations are denied.
34. Paragraph 34 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 34 requires a response from Transferee Defendants, the allegations are denied.
35. Paragraph 35 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 35 requires a response from Transferee Defendants, the allegations are denied.
36. Paragraph 36 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 36 requires a response from Transferee Defendants, the allegations are denied.
37. Paragraph 37 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 37 requires a response from Transferee Defendants, the allegations are denied.
38. Paragraph 38 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 38 requires a response from Transferee Defendants, the allegations are denied.
39. Paragraph 39 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 39 requires a response from Transferee Defendants, the allegations are denied.

40. Paragraph 40 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 40 requires a response from Transferee Defendants, the allegations are denied.
41. Paragraph 41 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 41 requires a response from Transferee Defendants, the allegations are denied.
42. Paragraph 42 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 42 requires a response from Transferee Defendants, the allegations are denied.
43. Paragraph 43 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 43 requires a response from Transferee Defendants, the allegations are denied.
44. Paragraph 44 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 44 requires a response from Transferee Defendants, the allegations are denied.
45. Paragraph 45 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 45 requires a response from Transferee Defendants, the allegations are denied.
46. Paragraph 46 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 46 requires a response from Transferee Defendants, the allegations are denied.

47. Paragraph 47 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 47 requires a response from Transferee Defendants, the allegations are denied.
48. Paragraph 48 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 48 requires a response from Transferee Defendants, the allegations are denied.
49. Paragraph 49 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 49 requires a response from Transferee Defendants, the allegations are denied.
50. Paragraph 50 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 50 requires a response from Transferee Defendants, the allegations are denied.
51. Paragraph 51 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 51 requires a response from Transferee Defendants, the allegations are denied.
52. Paragraph 52 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 52 requires a response from Transferee Defendants, the allegations are denied.
53. Paragraph 53 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 53 requires a response from Transferee Defendants, the allegations are denied.

54. Paragraph 54 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 54 requires a response from Transferee Defendants, the allegations are denied.
55. Paragraph 55 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 55 requires a response from Transferee Defendants, the allegations are denied.
56. Paragraph 56 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 56 requires a response from Transferee Defendants, the allegations are denied.
57. Paragraph 57 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 57 requires a response from Transferee Defendants, the allegations are denied.
58. Paragraph 58 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 58 requires a response from Transferee Defendants, the allegations are denied.
59. Paragraph 59 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 59 requires a response from Transferee Defendants, the allegations are denied.
60. Paragraph 60 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 60 requires a response from Transferee Defendants, the allegations are denied.

61. Paragraph 61 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 61 requires a response from Transferee Defendants, the allegations are denied.
62. Paragraph 62 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 62 requires a response from Transferee Defendants, the allegations are denied.
63. Paragraph 63 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 63 requires a response from Transferee Defendants, the allegations are denied.
64. Paragraph 64 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 64 requires a response from Transferee Defendants, the allegations are denied.
65. Paragraph 65 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 65 requires a response from Transferee Defendants, the allegations are denied.
66. Paragraph 66 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 66 requires a response from Transferee Defendants, the allegations are denied.
67. Paragraph 67 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 67 requires a response from Transferee Defendants, the allegations are denied.

68. Paragraph 68 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 68 requires a response from Transferee Defendants, the allegations are denied.
69. Paragraph 69 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 69 requires a response from Transferee Defendants, the allegations are denied.
70. Paragraph 70 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 70 requires a response from Transferee Defendants, the allegations are denied.
71. Paragraph 71 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 71 requires a response from Transferee Defendants, the allegations are denied.
72. Paragraph 72 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 72 requires a response from Transferee Defendants, the allegations are denied.
73. Paragraph 73 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 73 requires a response from Transferee Defendants, the allegations are denied.
74. Paragraph 74 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 74 requires a response from Transferee Defendants, the allegations are denied.

75. Paragraph 75 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 75 requires a response from Transferee Defendants, the allegations are denied.
76. Paragraph 76 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 76 requires a response from Transferee Defendants, the allegations are denied.
77. Paragraph 77 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 77 requires a response from Transferee Defendants, the allegations are denied.
78. Paragraph 78 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 78 requires a response from Transferee Defendants, the allegations are denied.
79. Paragraph 79 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 79 requires a response from Transferee Defendants, the allegations are denied.
80. Paragraph 80 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 80 requires a response from Transferee Defendants, the allegations are denied.
81. Paragraph 81 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 81 requires a response from Transferee Defendants, the allegations are denied.

- 82.** Paragraph 82 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 82 requires a response from Transferee Defendants, the allegations are denied.
- 83.** Paragraph 83 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 83 requires a response from Transferee Defendants, the allegations are denied.
- 84.** Paragraph 84 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 84 requires a response from Transferee Defendants, the allegations are denied.
- 85.** Paragraph 85 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 85 requires a response from Transferee Defendants, the allegations are denied.
- 86.** Paragraph 86 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 86 requires a response from Transferee Defendants, the allegations are denied.
- 87.** Paragraph 87 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 87 requires a response from Transferee Defendants, the allegations are denied.
- 88.** Paragraph 88 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 88 requires a response from Transferee Defendants, the allegations are denied.

- 89.** Paragraph 89 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 89 requires a response from Transferee Defendants, the allegations are denied.
- 90.** Paragraph 90 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 90 requires a response from Transferee Defendants, the allegations are denied.
- 91.** Paragraph 91 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 91 requires a response from Transferee Defendants, the allegations are denied.
- 92.** Paragraph 92 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 92 requires a response from Transferee Defendants, the allegations are denied.
- 93.** Paragraph 93 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 93 requires a response from Transferee Defendants, the allegations are denied.
- 94.** Paragraph 94 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 94 requires a response from Transferee Defendants, the allegations are denied.
- 95.** Paragraph 95 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 95 requires a response from Transferee Defendants, the allegations are denied.

- 96.** Paragraph 96 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 96 requires a response from Transferee Defendants, the allegations are denied.
- 97.** Paragraph 97 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 97 requires a response from Transferee Defendants, the allegations are denied.
- 98.** Paragraph 98 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 98 requires a response from Transferee Defendants, the allegations are denied.
- 99.** Paragraph 99 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 99 requires a response from Transferee Defendants, the allegations are denied.
- 100.** Paragraph 100 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 100 requires a response from Transferee Defendants, the allegations are denied.
- 101.** Paragraph 101 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 101 requires a response from Transferee Defendants, the allegations are denied.
- 102.** Paragraph 102 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 102 requires a response from Transferee Defendants, the allegations are denied.

- 103.** Paragraph 103 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 103 requires a response from Transferee Defendants, the allegations are denied.
- 104.** Paragraph 104 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 104 requires a response from Transferee Defendants, the allegations are denied.
- 105.** Paragraph 105 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 105 requires a response from Transferee Defendants, the allegations are denied.
- 106.** Paragraph 106 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 106 requires a response from Transferee Defendants, the allegations are denied.
- 107.** Paragraph 107 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 107 requires a response from Transferee Defendants, the allegations are denied.
- 108.** Paragraph 108 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 108 requires a response from Transferee Defendants, the allegations are denied.
- 109.** Paragraph 109 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 109 requires a response from Transferee Defendants, the allegations are denied.

- 110.** Paragraph 110 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 110 requires a response from Transferee Defendants, the allegations are denied.
- 111.** Paragraph 111 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 111 requires a response from Transferee Defendants, the allegations are denied.
- 112.** Paragraph 112 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 112 requires a response from Transferee Defendants, the allegations are denied.
- 113.** Paragraph 113 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 113 requires a response from Transferee Defendants, the allegations are denied.
- 114.** Paragraph 114 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 114 requires a response from Transferee Defendants, the allegations are denied.
- 115.** Paragraph 115 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 115 requires a response from Transferee Defendants, the allegations are denied.
- 116.** Paragraph 116 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 116 requires a response from Transferee Defendants, the allegations are denied.

- 117.** Paragraph 117 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 117 requires a response from Transferee Defendants, the allegations are denied.
- 118.** Paragraph 118 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 118 requires a response from Transferee Defendants, the allegations are denied.
- 119.** Paragraph 119 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 119 requires a response from Transferee Defendants, the allegations are denied.
- 120.** Paragraph 120 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 120 requires a response from Transferee Defendants, the allegations are denied.
- 121.** Paragraph 121 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 121 requires a response from Transferee Defendants, the allegations are denied.
- 122.** Paragraph 122 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 122 requires a response from Transferee Defendants, the allegations are denied.
- 123.** Paragraph 123 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 123 requires a response from Transferee Defendants, the allegations are denied.

- 124.** Paragraph 124 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 124 requires a response from Transferee Defendants, the allegations are denied.
- 125.** Paragraph 125 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 125 requires a response from Transferee Defendants, the allegations are denied.
- 126.** Paragraph 126 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 126 requires a response from Transferee Defendants, the allegations are denied.
- 127.** Paragraph 127 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 127 requires a response from Transferee Defendants, the allegations are denied.
- 128.** Paragraph 128 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 128 requires a response from Transferee Defendants, the allegations are denied.
- 129.** Paragraph 129 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 129 requires a response from Transferee Defendants, the allegations are denied.
- 130.** Paragraph 130 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 130 requires a response from Transferee Defendants, the allegations are denied.

- 131.** Paragraph 131 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 131 requires a response from Transferee Defendants, the allegations are denied.
- 132.** Paragraph 132 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 132 requires a response from Transferee Defendants, the allegations are denied.
- 133.** Paragraph 133 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 133 requires a response from Transferee Defendants, the allegations are denied.
- 134.** Paragraph 134 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 134 requires a response from Transferee Defendants, the allegations are denied.
- 135.** Paragraph 135 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 135 requires a response from Transferee Defendants, the allegations are denied.
- 136.** Paragraph 136 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 136 requires a response from Transferee Defendants, the allegations are denied.
- 137.** Paragraph 137 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 137 requires a response from Transferee Defendants, the allegations are denied.

- 138.** Paragraph 138 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 138 requires a response from Transferee Defendants, the allegations are denied.
- 139.** Paragraph 139 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 139 requires a response from Transferee Defendants, the allegations are denied.
- 140.** Paragraph 140 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 140 requires a response from Transferee Defendants, the allegations are denied.
- 141.** Paragraph 141 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 141 requires a response from Transferee Defendants, the allegations are denied.
- 142.** Paragraph 142 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 142 requires a response from Transferee Defendants, the allegations are denied.
- 143.** Paragraph 143 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 143 requires a response from Transferee Defendants, the allegations are denied.
- 144.** Paragraph 144 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 144 requires a response from Transferee Defendants, the allegations are denied.

- 145.** Paragraph 145 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 145 requires a response from Transferee Defendants, the allegations are denied.
- 146.** Paragraph 146 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 146 requires a response from Transferee Defendants, the allegations are denied.
- 147.** Paragraph 147 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 147 requires a response from Transferee Defendants, the allegations are denied.
- 148.** Paragraph 148 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 148 requires a response from Transferee Defendants, the allegations are denied.
- 149.** Paragraph 149 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 149 requires a response from Transferee Defendants, the allegations are denied.
- 150.** Paragraph 150 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 150 requires a response from Transferee Defendants, the allegations are denied.
- 151.** Paragraph 151 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 151 requires a response from Transferee Defendants, the allegations are denied.

- 152.** Paragraph 152 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 152 requires a response from Transferee Defendants, the allegations are denied.
- 153.** Paragraph 153 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 153 requires a response from Transferee Defendants, the allegations are denied.
- 154.** Paragraph 154 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 154 requires a response from Transferee Defendants, the allegations are denied.
- 155.** Paragraph 155 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 155 requires a response from Transferee Defendants, the allegations are denied.
- 156.** Paragraph 156 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 156 requires a response from Transferee Defendants, the allegations are denied.
- 157.** Paragraph 157 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 157 requires a response from Transferee Defendants, the allegations are denied.
- 158.** Paragraph 158 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 158 requires a response from Transferee Defendants, the allegations are denied.

- 159.** Paragraph 159 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 159 requires a response from Transferee Defendants, the allegations are denied.
- 160.** Paragraph 160 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 160 requires a response from Transferee Defendants, the allegations are denied.
- 161.** Paragraph 161 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 161 requires a response from Transferee Defendants, the allegations are denied.
- 162.** Paragraph 162 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 162 requires a response from Transferee Defendants, the allegations are denied.
- 163.** Paragraph 163 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 163 requires a response from Transferee Defendants, the allegations are denied.
- 164.** Paragraph 164 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 164 requires a response from Transferee Defendants, the allegations are denied.
- 165.** Paragraph 165 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 165 requires a response from Transferee Defendants, the allegations are denied.

- 166.** Paragraph 166 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 166 requires a response from Transferee Defendants, the allegations are denied.
- 167.** Paragraph 167 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 167 requires a response from Transferee Defendants, the allegations are denied.
- 168.** Paragraph 168 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 168 requires a response from Transferee Defendants, the allegations are denied.
- 169.** Paragraph 169 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 169 requires a response from Transferee Defendants, the allegations are denied.
- 170.** Paragraph 170 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 170 requires a response from Transferee Defendants, the allegations are denied.
- 171.** Paragraph 171 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 171 requires a response from Transferee Defendants, the allegations are denied.
- 172.** Paragraph 172 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 172 requires a response from Transferee Defendants, the allegations are denied.

- 173.** Paragraph 173 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 173 requires a response from Transferee Defendants, the allegations are denied.
- 174.** Paragraph 174 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 174 requires a response from Transferee Defendants, the allegations are denied.
- 175.** Paragraph 175 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 175 requires a response from Transferee Defendants, the allegations are denied.
- 176.** In response to Paragraph 176, Transferee Defendants incorporate their answers to Paragraphs 1 through 176.
- 177.** Paragraph 177 contains no allegations directed at Transferee Defendants. To the extent Paragraph 177 requires a response from Transferee Defendants, the allegations are denied.
- 178.** Paragraph 178 contains no allegations directed at Transferee Defendants. To the extent Paragraph 178 requires a response from Transferee Defendants, the allegations are denied.
- 179.** It is admitted that Joseph Investments LLC was formed on or about November 14, 2023 as alleged in Paragraph 179. All other allegations contained in Paragraph 179 of the Complaint are denied.
- 180.** With respect to the allegation in the first sentence of Paragraph 180, Transferee Defendants state that Steve Frost is the sole member of Josphe

Investments, LLC. Any and all other inferences are denied. The remaining allegations contained in Paragraph 180 of the Complaint are admitted.

181. The allegations contained in Paragraph 181 of the Complaint are admitted.

182. Transferee Defendants admit that the lot located at 1419 Chestnut Street, next to the building located at 1413 Chestnut Street, was collateral for a \$1,550,000.00 loan that Steve and Lisa Frost had made to Chestnut Holdings.

183. The allegations contained in Paragraph 183 of the Complaint are denied as stated. Chestnut Holdings was in default of its obligations to First Horizon Bank prior to the acquisition by Joseph Investments LLC of the First Horizon Note and security documents. Chestnut Holdings was also in default of the terms of the Note and Deed of Trust on the lot at 1419 Chestnut Street to Steve and Lisa Frost. Pursuant to their rights under Tennessee law and under their respective Deeds of Trust, Joseph Investments LLC and Steve and Lisa Frost foreclosed upon 1413 and 1419 Chestnut Street, respectively.

184. Transferee Defendant Joseph Investments LLC admits that it acquired 1413 Chestnut Street at the foreclosure sale with a bid of \$4,600,000.00. There were no other bidders present at the publicly advertised sale all other allegations are denied.

185. Transferee Defendants Steve and Lisa Frost admit that they bid \$1,200,000.00 at the foreclosure sale of the lot at 1419 Chestnut Street. There were no additional bidders at the foreclosure sale which was publicly advertised in accordance with Tennessee law.

- 186.** Paragraph 186 of the Complaint states legal conclusions to which no response is required. To the extent any response is required, Transferee Defendants deny the allegations contained in Paragraph 186 of the Complaint.
- 187.** Paragraph 187 of the Complaint states legal conclusions to which no response is required. To the extent any response is required, Transferee Defendants deny the allegations contained in Paragraph 187 of the Complaint.
- 188.** Paragraph 188 of the Complaint states legal conclusions to which no response is required. To the extent any response is required, Transferee Defendants deny the allegations contained in Paragraph 188 of the Complaint.
- 189.** Paragraph 189 of the Complaint states legal conclusions to which no response is required. To the extent any response is required, Transferee Defendants deny the allegations contained in Paragraph 189 of the Complaint.
- 190.** Paragraph 190 of the Complaint states legal conclusions to which no response is required. To the extent any response is required, Transferee Defendants deny the allegations contained in Paragraph 190 of the Complaint.
- 191.** Paragraph 191 of the Complaint states legal conclusions to which no response is required. To the extent any response is required, Transferee Defendants deny the allegations contained in Paragraph 191 of the Complaint.
- 192.** Paragraph 192 of the Complaint states legal conclusions to which no response is required. To the extent any response is required, Transferee Defendants deny the allegations contained in Paragraph 192 of the Complaint.
- 193.** The allegations contained in Paragraph 193 are denied.

- 194.** The allegations contained in Paragraph 194 of the Complaint are denied. The foreclosure sales of 1413 Chestnut Street and 1419 Chestnut Street were regularly conducted pursuant to Tennessee law and the respective Deeds of Trust, the foreclosure sales were non-collusive and the bidding price paid by Transferee Defendants was reasonably equivalent to the value of such properties.
- 195.** The allegations contained in Paragraph 195 of the Complaint are denied as stated. The Transferee Defendants admit that after the properties sold at the foreclosure sale, they caused the deeds to be recorded and took possession of the properties. Transferee Defendants deny that no consideration passed from the Transferee Defendants to Frost and/or Chestnut Holdings. The remaining allegations contained in Paragraph 195 of the Complaint are denied.
- 196.** The allegations contained in Paragraph 196 of the Complaint are denied.
- 197.** The allegations contained in Paragraph 197 of the Complaint are denied.
- 198.** Paragraph 198 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 198 requires a response from Transferee Defendants, the allegations are denied.
- 199.** Paragraph 199 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 199 requires a response from Transferee Defendants, the allegations are denied.
- 200.** Paragraph 200 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 200 requires a response from Transferee Defendants, the allegations are denied.

- 201.** Paragraph 201 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 201 requires a response from Transferee Defendants, the allegations are denied.
- 202.** Paragraph 202 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 202 requires a response from Transferee Defendants, the allegations are denied.
- 203.** Paragraph 203 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 203 requires a response from Transferee Defendants, the allegations are denied.
- 204.** Paragraph 204 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 204 requires a response from Transferee Defendants, the allegations are denied.
- 205.** Paragraph 205 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 205 requires a response from Transferee Defendants, the allegations are denied.
- 206.** Paragraph 206 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 206 requires a response from Transferee Defendants, the allegations are denied.
- 207.** Paragraph 207 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 207 requires a response from Transferee Defendants, the allegations are denied.

- 208.** Paragraph 208 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 208 requires a response from Transferee Defendants, the allegations are denied.
- 209.** Paragraph 209 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 209 requires a response from Transferee Defendants, the allegations are denied.
- 210.** Paragraph 210 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 210 requires a response from Transferee Defendants, the allegations are denied.
- 211.** Paragraph 211 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 211 requires a response from Transferee Defendants, the allegations are denied.
- 212.** Paragraph 212 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 212 requires a response from Transferee Defendants, the allegations are denied.
- 213.** Paragraph 213 of the Complaint contains no allegations directed at Transferee Defendants. To the extent Paragraph 213 requires a response from Transferee Defendants, the allegations are denied.
- 214.** Transferee Defendants deny that they are liable to Plaintiffs on any counts, deny that Plaintiffs are entitled to any of the relief sought against Transferee Defendants, and deny that Plaintiffs are entitled to any relief whatsoever against Transferee Defendants.

Transferee Defendants pray that the Court enter judgment in their favor, award it costs and attorneys fees incurred in connection with this suit, under any applicable statute and other any applicable law, and further award it such other relief to which they may be entitled.

Transferee Defendants deny all allegations contained in the Complaint (including headings and the prayer for relief) not specifically admitted herein, and they deny that Plaintiffs are entitled to any of the relief they have requested against Transferee Defendants.

DEFENSES AND AFFIRMATIVE DEFENSES

Transferee Defendants assert the following defenses and affirmative defenses without assuming the burden of proof as to any issue or element that otherwise rests with Plaintiffs. Transferee Defendants reserve the right to supplement or amend these defenses and affirmative defenses during the course of this litigation.

First Affirmative Defense

Plaintiffs' claims are barred, in whole or in part, for failure to state a claim.

Second Affirmative Defense

Plaintiffs' claims are barred, in whole or in part, because they have not suffered any injuries or damages legally or proximately caused by any act of any of the Transferee Defendants.

Third Affirmative Defense

Plaintiffs' claims are barred, in whole or in part, to the extent that any losses or damages were caused by their own actions or inactions.

Fourth Affirmative Defense

Plaintiffs' claims are barred, in whole or in part, to the extent that any losses or damages were caused by persons or entities other than Transferee Defendants and are not attributable to actions taken by or on behalf of Transferee Defendants.

Wherefore, Transferee Defendants demand that the Complaint be dismissed against them with prejudice, that they be awarded costs and reasonable attorneys fees, and that they receive such other and further relief to which they may be entitled in law or in equity.

Respectfully submitted,

PATRICK, BEARD, SCHULMAN & JACOWAY, P.C.

By: /s/ *Gary R. Patrick*

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CERTIFICATE OF SERVICE

I certify that a true and correct copy of the above and foregoing has been served via hand delivery, facsimile or first class mail, with sufficient postage affixed thereon to insure proper delivery, upon:

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This 3rd day of May 2024.

**PATRICK, BEARD, SCHULMAN &
JACOWAY, P.C.**

By: /s/ *Gary R. Patrick*

Gary R. Patrick